CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BUREAU
CORPORATION FILE

FEB 2 1928

S. H. KRESS & COMPANY

ACCOUNTS

YEAR 1927

S. H. KRESS

AN

SUBSIDIARY

Consolidated Balance She

ASSETS

CURRENT ASSETS:		
Cash in banks, in transit and on hand	$ 4,532,907.11	
U. S. Government securities, at cost	158,550.00	
Sundry debtors	92,965.26	
Inventories of merchandise, at cost or market, whichever is lower	8,898,256.62	
		$13,682,678.99
LONG TERM LOANS TO LANDLORDS		439,637.53
DEFERRED CHARGES TO FUTURE OPERATIONS:		
Prepaid rents, insurance and other expenses		371,996.31
CAPITAL ASSETS:		
Furniture and fixtures, at cost $7,095,007.94		
Less—Reserve for depreciation 2,630,087.56	$ 4,464,920.38	
Buildings and improvements on leased properties, proportion unamortized	5,287,298.65	
Land and buildings, at cost $3,228,609.92		
Less—Reserve for depreciation 99,515,51	3,129,094.41	
Goodwill, leaseholds, etc.	1.00	
		12,881,314.44
		$27,375,627.27

NOTE—Merchandise in transit amounting to $1,463,000 has not been included in the above accounts.

We have examined the books and accounts of S. H. Kress & Company and i that the above balance sheet and the relative surplus account are correctly prepared combined companies at December 31, 1927, and the result of the operations for th

56 PINE STREET,
New York,
January 25, 1928.

CLEVELAND PUBLIC LIBRARY
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CORPORATION FILE

& COMPANY

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COMPANIES

et, December 31, 1927

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable—trade creditors	$ 294,120.54	
Accrued expenses and miscellaneous accounts payable	870,519.91	
Reserve for 1927 Federal income taxes	736,793.16	
		$ 1,901,433.61
MORTGAGE PAYABLE FEBRUARY 1, 1935		200,000.00
RESERVE FOR CONTINGENCIES		671,431.78
CAPITAL STOCK:		
Special preferred stock—6% cumulative:		
Authorized—1,000,000 shares of $10 each	$10,000,000.00	
Issued—48,336$^{38}/_{40}$ shares	$ 483,369.50	
Common stock without par value:		
Authorized—1,500,000 shares		
Issued—966,739 shares	12,370,645.00	
		12,854,014.50
(Including 3,800 shares reserved for conversion of 475 shares of old common stock of $100 par value.)		
SURPLUS, per statement annexed		11,748,747.38
		$27,375,627.27

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ts subsidiary companies for the year ending December 31, 1927, and we certify
l therefrom and, in our opinion, fairly set forth the financial condition of the
e year ending on that date.

PRICE, WATERHOUSE & Co.

S. H. KRESS & COMPANY

AND SUBSIDIARY COMPANIES

Consolidated Profit and Loss and Surplus Account
For the Year ending December 31, 1927

SALES		$58,059,924.84
DEDUCT—		
Cost of merchandise sold and operating expenses including rent of owned stores	$51,664,150.20	
Provision for depreciation and amortization	724,003.02	
Provision for Federal income taxes	714,000.00	
		53,102,153.22
		$ 4,957,771.62
ADD—Other income:		
From owned property, net	$ 91,472.87	
Interest, net	25,466.92	
Miscellaneous	14,325.35	
		131,265.14
Net profit for the year ending December 31, 1927		$ 5,089,036.76
Unappropriated surplus as at January 1, 1927	$ 7,720,556.87	
ADD—Surplus appropriated for the redemption of preferred stock now restored to unappropriated surplus	1,110,000.00	
		8,830,556.87
		$13,919,593.63
DEDUCT—		
Dividends on common stock:		
Cash dividends ($1.00 per share)	$ 964.976.75	
Stock dividend ($.50 per share) paid in special preferred 6% cumulative stock	483,369.50	
	$ 1,448,346.25	
Premium on $2,890,000.00 preferred stock retired	722,500.00	
		2,170,846.25
Surplus at December 31, 1927		$11,748,747.38

Year	*Sales*	*Sales increase over preceding year*	*Profits*	*Ratio of profits to sales*
1916	$15,059,682.82	21.15%	$1,354,092.94	8.98%
1917	17,633,100.37	17.08	1,465,460.85	8.31
1918	21,160,111.19	20.00	1,158,716.51	5.47
1919	25,244,130.76	19.30	2,075,826.06	8.22
1920	28,973,846.79	14.77	960,855.38	3.31
1921	28,908,981.22	.00	1,258,141.82	4.35
1922	30,646,937.90	6.01	3,088,640.90	10.08
1923	34,005,464.41	10.95	3,472,901.91	10.21
1924	40,259,232.06	18.39	3,143,934.41	7.80
1925	45,963,182.02	14.17	4,158,521.26	9.05
1926	51,869,459.87	12.85	4,672,952.20	9.01
1927	58,059,924.84	11.93	5,089,036.76	8.77

The company operated a total of one hundred eighty-three stores at the end of the year.